

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7352

BILL NUMBER: HB 1334

NOTE PREPARED: May 1, 2013

BILL AMENDED: Apr 26, 2013

SUBJECT: Teacher Liability Insurance.

FIRST AUTHOR: Rep. Thompson

FIRST SPONSOR: Sen. Kruse

BILL STATUS: Enrolled

FUNDS AFFECTED: X **GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill has the following provisions:

Liability Insurance: The bill permits the Department of Administration to contract for the availability of personal liability insurance for public and nonpublic school teachers in Indiana.

Exemption of Criminal Offenders from Wage Payment and Wage Claims Provisions: The bill provides that criminal offenders in a facility operated by the Department of Correction (DOC) or operated by a private operator under contract with the DOC are exempt from certain provisions concerning the frequency of wage payment and wage claims.

Effective Date: Upon Passage; July 1, 2013.

Explanation of State Expenditures: *Liability Insurance - Indiana Department of Administration (IDOA):* This bill allows the IDOA to contract with at least one personal liability insurer to allow any teacher to purchase coverage under a personal liability insurance policy. The IDOA could issue a request for proposals (RFP), which is within their current responsibilities. However, the IDOA does not have the staff available to manage such a contract.

Liability Insurance - Contract for Personal Liability Insurance: Any impact to the state for contracting for personal liability insurance would depend upon whether the IDOA issues a RFP and the details of the contract. The bill specifies that teachers purchasing coverage under a plan contracted by IDOA will pay the full premium for coverage.

Exemption of Criminal Offenders from Wage Payment and Wage Claims Provisions: The Attorney General defends the DOC when a wage payment or wage claim action is filed by a prisoner against the agency. Under this provision, the cost of defending the agency against these lawsuits is expected to decrease, and would depend upon the circumstances of the individual case. Currently, there are approximately 1,900 prisoners who would be affected by this provision. They are employed by PEN Products (a division of DOC).

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Administration; Office of the Attorney General; Department of Correction.

Local Agencies Affected:

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